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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-909]

Certain Steel Nails from the People's Republic of China: Final Results of Antidumping Duty Administrative Review, and Final Determination of No Shipments; 2016-2017

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that certain steel nails (nails) from the People's Republic of China (China) were sold in the United States at less than normal value (NV) during the period of review (POR), August 1, 2016, through July 31, 2017.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Susan Pulongbarit or Benito Ballesteros, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482-4031 or (202) 482-7425, respectively.

SUPPLEMENTARY INFORMATION:

Background

On September 11, 2018, Commerce published in the *Federal Register* the *Preliminary Results* of the administrative review of the antidumping duty order on nails from China.¹

Commerce conducted verification of Dezhou Hualade Hardware and Products Co. Ltd. (Dezhou Hualude) and its producers Tianjin Lingyu Metal Products Co., Ltd. (Tianjin Lingyu) and Tianjin

¹ See *Certain Steel Nails from the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2015-2017*, 83 FR 45883 (September 11, 2018) (*Preliminary Results*).

Yongchang Metal Products Co., Ltd. (Tianjin Yongchang) from October 29, 2018, through November 8, 2018.

In accordance with 19 CFR 351.309, we invited parties to comment on our *Preliminary Results*. On February 13, 2019, Zhangjiagang Lianfeng Metals Products Co., Ltd.; Tianjin Jinghai County Hongli Industry & Business Co., Ltd., Tianjin Jinchi Metal Products Co., Ltd., Tianjin Zhonglian Metals Ware Co., Ltd., Shanghai Yueda Nails Industry Co., Ltd. aka Shanghai Yueda Nails Co., Ltd., and Shanxi Tianli Industries Co., Ltd.; The Stanley Works (Langfang) Fastening Systems Co., Ltd. and Stanley Black & Decker, Inc. (collectively, Stanley); Tianjin Huixinshangmao Co., Ltd., SDC International Aust. PTY. LTD., S-Mart (Tianjin) Technology Development Co., Ltd., Shanxi Hairui Trade Co., Ltd., Shanxi Pioneer Hardware Industry Co., Ltd., and Shanxi Yuci Broad Wire Products Co., Ltd.; National Nail Corp.; Mid Continent Steel & Wire, Inc. (the petitioner); and Dezhou Hualude, submitted timely filed case briefs. Between February 19, 2019, and February 21, 2019, National Nail Corp., the petitioner, Dezhou Hualude, and Stanley submitted timely rebuttal briefs pursuant to our regulations. On February 25, 2018, in response to Commerce's instructions, National Nail Corp. re-filed its rebuttal brief with untimely new factual information redacted.

On December 21, 2019, Commerce postponed the deadline for the final results of this review until March 8, 2019.² Commerce exercised its discretion to toll all deadlines affected by the partial federal government closure from December 22, 2018, through the resumption of operations on January 28, 2019. If the new deadline falls on a non-business day, in accordance

² See Memorandum, "Certain Steel Nails from the People's Republic of China: Extension of Deadline for Final Results of Antidumping Duty Administrative Review," dated December 21, 2018.

with Commerce's practice, the deadline will become the next business day. Accordingly, the deadline for the final results of this review was revised to April 17, 2019.³

Scope of the Order

The merchandise covered by the order includes certain steel nails having a shaft length up to 12 inches. Certain steel nails subject to the order are currently classified under the Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7317.00.55, 7317.00.65, 7317.00.75, and 7907.00.6000,⁴ 7318.29.0000, and 8206.00.0000.⁵ While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the order, which is contained in the accompanying Issues and Decision Memorandum (I&D Memo), is dispositive.⁶

Analysis of Comments Received

We addressed all issues raised in the case and rebuttal briefs by parties to this review in the I&D Memo. Attached to this notice, in Appendix II, is a list of the issues which parties raised. The I&D Memo is a public document and is on file in the Central Records Unit (CRU), Room B8024 of the main Department of Commerce building, as well as electronically *via* Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic

³ See Memorandum to the Record from Gary Taverman, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Partial Shutdown of the Federal Government," dated January 28, 2019. All deadlines in this segment of the proceeding have been extended by 40 days.

⁴ Commerce added the Harmonized Tariff Schedule category 7907.00.6000, "Other articles of zinc: Other," to the language of the *Order*. See Memorandum to Gary Taverman, Senior Advisor for Antidumping and Countervailing Duty Operations, through James C. Doyle, Director, Office of Antidumping and Countervailing Duty Operations, regarding "Certain Steel Nails from the People's Republic of China: Cobra Anchors Co. Ltd. Final Scope Ruling," (September 19, 2013).

⁵ Commerce added the HTS categories 7318.29.0000 and 8206.00.0000 per a request by U.S. Customs and Border Protection on February 24, 2017.

⁶ For a full description of the scope of the Order, see Memorandum, "Certain Steel Nails from the People's Republic of China: Issues and Decision Memorandum for the Final Results of the Ninth Antidumping Duty Administrative Review" (April 17, 2019), which is adopted by this notice.

Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov> and in the CRU. In addition, a complete version of the I&D Memo can be accessed directly on the internet at <http://enforcement.trade.gov/frn/index.html>. The signed I&D Memo and the electronic versions of the I&D Memo are identical in content.

Changes since the *Preliminary Results*

Based on a review of the record and comments received from interested parties regarding our *Preliminary Results*, and for the reasons explained in the I&D Memo, we revised the margin calculation for Stanley and Dezhou Hualude. Accordingly, for the final results, Commerce updated the sample rate to be assigned to the non-selected companies, which is based on an average of the rates of the three mandatory respondents, Stanley, Dezhou Hualude, and Shandong Dinglong Import & Export Co., Ltd. (Shandong Dinglong), as discussed in the I&D Memo. The Surrogate Values Memorandum contains further explanation of our changes to the surrogate values selected for Stanley's factors of production.⁷ For a list of all issues addressed in these final results, please refer to Appendix II accompanying this notice.

Final Determination of No Shipments

In the *Preliminary Results*, Commerce determined that nine companies, Astrotech Steels Pvt. Ltd., Hebei Minmetals Co. Ltd., Nanjing Caiqing Hardware Co., Ltd., Naging Toua Hardware & Tools Co., Ltd., Region Industries Co., Ltd., Region System Sdn. Bhd., Shandong Oriental Cherry Hardware Import & Export Co. Ltd., Shandong Qingyun Hongyi Hardware Co. Ltd., Shanghai Jade Shuttle Hardware Tools Co. Ltd., did not have any reviewable transactions during the POR. Consistent with Commerce's assessment practice in non-market economy

⁷ See Memorandum, "Eighth Antidumping Administrative Review of Certain Steel Nails from the People's Republic of China: Surrogate Values for the Final Results," dated concurrently with and hereby adopted by this notice (Surrogate Values Memorandum).

(NME) cases, we completed the review with respect to the above-named companies. Based on the certifications submitted by the aforementioned companies, and our analysis of U.S. Customs and Border Protection (CBP) information, we continue to determine that these companies did not have any reviewable transactions during the POR. As noted in the “Assessment Rates” section below, Commerce intends to issue appropriate instructions to CBP for the above-named companies based on the final results of this review.

Separate Rates

In the *Preliminary Results*, we determined that 19 companies, in addition to the three mandatory respondents, met the criteria for separate rate status. We have not received any information since the issuance of the *Preliminary Results* that provides a basis for reconsidering this preliminary determination. Therefore, Commerce continues to find that these companies meet the criteria for a separate rate for the final results.

Rate for Non-Selected Companies

As noted above, for the final results, the calculated rates for two of the mandatory respondents have changed from the *Preliminary Results*. Accordingly, for the final results, Commerce has updated the sample rate to be assigned to the non-selected companies, which is based on an average of the rates of the three mandatory respondents, as discussed in the I&D Memo.

China-Wide Entity

In the *Preliminary Results*, we found that 114 companies for which a review was requested had not established eligibility for a separate rate and, thus, were considered to be part of the China-wide entity.⁸ We have not received any information since the issuance of the

⁸ See *Preliminary Results* at Appendix I.

Preliminary Results that provides a basis for reconsidering this preliminary determination.

Therefore, Commerce continues to find that these companies will remain a part of the China-wide entity.⁹

Final Results of Administrative Review

The weighted-average dumping margins for the administrative review are as follows:

Exporter/Producer	Weighted-Average Dumping Margin
Dezhou Hualade Hardware and Products Co. Ltd.	75.79
Shandong Dinglong Import & Export Co., Ltd.	118.04
The Stanley Works (Langfang) Fastening Systems Co., Ltd. and Stanley Black & Decker, Inc.	3.94
Hebei Canzhou New Century Foreign Trade Co. Ltd.	44.48
Mingguang Ruifeng Hardware Products Co. Ltd.	44.48
Qingdao D&L Group Ltd.	44.48
SDC International Australia Pty. Ltd.	44.48
Shandong Oriental Cherry Hardware Group Co. Ltd.	44.48
Shanghai Curvet Hardware Products Co. Ltd.	44.48
Shanghai Yueda Nails Co. Ltd.	44.48
Shanxi Hairui Trade Co., Ltd.	44.48
Shanxi Pioneer Hardware Industrial Co. Ltd.	44.48
Shanxi Tianli Industries Co. Ltd.	44.48
S-Mart (Tianjin) Technology Development Co. Ltd.	44.48
Suntec Industries Co. Ltd.	44.48
Tianjin Huixingshangmao Co. Ltd.	44.48
Tianjin Jinchi Metal Products Co. Ltd.	44.48
Tianjin Jinghai County Hongli Industry and Business Co. Ltd.	44.48
Tianjin Universal Machinery Imp. & Exp.	44.48
Tianjin Zhonglian Metals Ware Co. Ltd.	44.48
Xi'an Metals and Minerals Imp. & Exp. Co. Ltd.	44.48

⁹ See Appendix I.

Zhangjiagang Lianfeng Metals Products Co. Ltd.	44.48
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Assessment Rates

Pursuant to section 751(a)(2)(A) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.212(b), Commerce has determined, and CBP shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review. Commerce intends to issue appropriate assessment instructions directly to CBP 15 days after publication of the final results of this administrative review.

Where the respondent reported reliable entered values, we calculated importer- (or customer-) specific *ad valorem* rates by aggregating the dumping margins calculated for all U.S. sales to each importer (or customer) and dividing this amount by the total entered value of the sales to each importer (or customer).¹⁰ Where Commerce calculated a weighted-average dumping margin by dividing the total amount of dumping for reviewed sales to that party by the total sales quantity associated with those transactions, Commerce will direct CBP to assess importer-specific assessment rates based on the resulting per-unit rates.¹¹ Where an importer- (or customer-) specific *ad valorem* or per-unit rate is greater than *de minimis* (i.e., 0.50 percent), Commerce will instruct CBP to collect the appropriate duties at the time of liquidation.¹² Where an importer- (or customer-) specific *ad valorem* or per-unit rate is zero or *de minimis*, Commerce will instruct CBP to liquidate appropriate entries without regard to antidumping duties.¹³ We intend to instruct CBP to liquidate entries containing subject merchandise exported by the China-wide entity at the China-wide rate.

¹⁰ See 19 CFR 351.212(b)(1).

¹¹ *Id.*

¹² *Id.*

¹³ See 19 CFR 351.106(c)(2).

Pursuant to Commerce's assessment practice, for entries that were not reported in the U.S. sales databases submitted by companies individually examined during this review, Commerce will instruct CBP to liquidate such entries at the China-wide entity rate. Additionally, if Commerce determines that an exporter had no shipments of the subject merchandise, any suspended entries that entered under that exporter's case number (*i.e.*, at that exporter's rate) will be liquidated at the China-wide entity rate.¹⁴

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(C) of the Act: (1) For the exporters listed above, the cash deposit rate will be the rate established in the final results of review (except, if the rate is zero or *de minimis*, a zero cash deposit rate will be required for that company); (2) for previously investigated or reviewed China and non-China exporters not listed above that have separate rates, the cash deposit rate will continue to be the exporter-specific rate published for the most recent period; (3) for all China exporters of subject merchandise which have not been found to be entitled to a separate rate, the cash deposit rate will be the China-Wide rate of 118.04 percent; and (4) for all non-China exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the China exporters that supplied that non-China exporter. The deposit requirements, when imposed, shall remain in effect until further notice.

¹⁴ See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011).

Disclosure

We intend to disclose the calculations performed regarding these final results within five days of the date of publication of this notice to parties in this proceeding in accordance with 19 CFR 351.224(b).

Notification to Importers

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of doubled antidumping duties.

Administrative Protective Orders

This notice also serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

We are issuing and publishing these final results of administrative review in accordance with sections 751(a)(1) and 777(i) of the Act, and 19 CFR 351.221(b)(5).

Dated: April 17, 2019.
Jeffrey I. Kessler,
Assistant Secretary
for Enforcement and Compliance.

Appendix I
China-Wide Entity

- 1 Air It on Inc.
- 2 A-Jax Enterprises Ltd.
- 3 A-Jax International Co. Ltd.
- 4 Anhui Amigo Imp.& Exp. Co. Ltd.
- 5 Anhui Tea Imp. & Exp. Co. Ltd.
- 6 Beijing Catic Industry Ltd.
- 7 Beijing Qin-Li Jeff Trading Co., Ltd.
- 8 Bodi Corporation.
- 9 Cana (Rizhou) Hardward Co. Ltd.
- 10 Cangzhou Xinqiao Int'l Trade Co. Ltd.
- 11 Certified Products Taiwan Inc.
- 12 Changzhou Kya Trading Co. Ltd.
- 13 Chia Pao Metal Co. Ltd.
- 14 China Dinghao Co. Ltd.
- 15 China Staple Enterprise Co. Ltd.
- 16 Chinapack Ningbo Imp. & Exp. Co. Ltd.
- 17 Chite Enterprise Co. Ltd.
- 18 Crelux Int'l Co. Ltd.
- 19 Daejin Steel Co. Ltd.
- 20 Dingzhou Baota Metal Products Co. Ltd.
- 21 Dong E Fuqiang Metal Products Co. Ltd.
- 22 Ejen Brother Limited.
- 23 Faithful Engineering Products Co. Ltd.
- 24 Fastening Care.
- 25 Fastgrow International Co. Inc.
- 26 Foshan Hosontool Development Hardware Co. Ltd.
- 27 Glori-Industry Hong Kong Inc.
- 28 Guangdong Meite Mechanical Co. Ltd.
- 29 Hangzhou Spring Washer Co. Ltd.
- 30 Hebei Handform Plastic Products Co. Ltd.
- 31 Hebei Minghao Imp. & Exp. Co. Ltd.
- 32 Hengtuo Metal Products Co. Ltd.
- 33 Hongyi (HK) Hardware Products Co. Ltd.
- 34 Huaiyang County Yinfeng Plastic Factory.
- 35 Huanghua Yingjin Hardware Products.
- 36 Inmax Industries Sdn. Bhd.
- 37 Jade Shuttle Enterprise Co. Ltd.
- 38 Jiangsu General Science Technology Co. Ltd.

- 39 Jiangsu Huaiyin Guex Tools.
- 40 Jiaxing TSR Hardware Inc.
- 41 Jinhai Hardware Co. Ltd.
- 42 Jinsco International Corp.
- 43 Jinsheung Steel Corporation.
- 44 Koram Inc.
- 45 Korea Wire Co. Ltd.
- 46 Liaocheng Minghui Hardware Products.
- 47 Maanshan Lilai International Trade. Co. Ltd.
- 48 Mingguang Abundant Hardware Products Co. Ltd.
- 49 Nailtech Co. Ltd.
- 50 Nanjing Nuochun Hardware Co. Ltd.
- 51 Nanjing Tianxingtong Electronic Technology Co. Ltd.
- 52 Nanjing Tianyu International Co. Ltd.
- 53 Nanjing Zeejoe International Trade.
- 54 Ningbo Adv. Tools Co. Ltd.
- 55 Ningbo Fine Hardware Production Co. Ltd.
- 56 Overseas Distribution Services Inc.
- 57 Overseas International Steel Industry.
- 58 Paslode Fasteners Co. Ltd.
- 59 Patek Tool Co. Ltd.
- 60 President Industrial Inc.
- 61 Promising Way (Hong Kong) Ltd.
- 62 Qingda Jisco Co. Ltd.
- 63 Qingdao D&L Hardware Co. Ltd.
- 64 Qingdao Gold Dragon Co. Ltd.
- 65 Qingdao Hongyuan Nail Industry Co. Ltd.
- 66 Qingdao Meijialucky Industry and Co.
- 67 Qingdao MST Industry and Commerce Co. Ltd.
- 68 Qingdao Top Steel Industrial Co. Ltd.
- 69 Qingdao Uni-Trend International.
- 70 Quzhou Monsoon Hardware Co. Ltd.
- 71 Rise Time Industrial Ltd.
- 72 Romp Coil Nail Industries Inc.
- 73 R-Time Group Inc.
- 74 Shandong Liaocheng Minghua Metal Pvt. Ltd.
- 75 Shanghai Haoray International Trade Co. Ltd.
- 76 Shanghai Pioneer Speakers Co. Ltd.
- 77 Shanghai Seti Enterprise Int'l Co. Ltd.
- 78 Shanxi Easyfix Trade Co. Ltd.
- 79 Shaoxing Chengye Metal Producing Co. Ltd.

- 80 Shenzhen Xinjintal Hardware Co. Ltd.
- 81 Suzhou Xingya Nail Co. Ltd.
- 82 Taizhou Dajiang Ind. Co. Ltd.
- 83 Theps International.
- 84 Tianji Hweschun Fasteners Manufacturing Co. Ltd.
- 85 Tianjin Baisheng Metal Products Co. Ltd.
- 86 Tianjin Bluekin Industries Ltd.
- 87 Tianjin Coways Metal Products Co. Ltd.
- 88 Tianjin Dagang Jingang Nail Factory.
- 89 Tianjin Evangel Imp. & Exp. Co. Ltd.
- 90 Tianjin Fulida Supply Co. Ltd.
- 91 Tianjin Jin Xin Sheng Long Metal Products Co. Ltd.
- 92 Tianjin Jinghai Yicheng Metal Pvt.
- 93 Tianjin Jinlin Pharmaceutical Factory.
- 94 Tianjin Jinmao Imp. & Exp. Corp. Ltd.
- 95 Tianjin Lianda Group Co. Ltd.
- 96 Tianjin Tianhua Environmental Plastics Co. Ltd.
- 97 Tianjin Yong Sheng Towel Mill.
- 98 Tianjin Yongye Furniture Co. Ltd.
- 99 Tianjin Zhonglian Times Technology.
- 100 Tianjin Zhongsheng Garment Co. Ltd.
- 101 Unicore Tianjin Fasteners Co. Ltd.
- 102 Win Fasteners Manufactory (Thailand) Co. Ltd.
- 103 Wulian Zhanpeng Metals Co. Ltd.
- 104 Yongchang Metal Product Co.
- 105 Yuyao Dingfeng Engineering Co. Ltd.
- 106 Zhangjiagang Longxiang Industries Co. Ltd.
- 107 Zhaoqing Harvest Nails Co. Ltd.
- 108 Zhejiang Best Nail Industry Co. Ltd.
- 109 Zhejiang Jihengkang (JHK) Door Ind. Co. Ltd.
- 110 Zhejiang Yiwu Yongzhou Imp. & Exp. Co. Ltd.
- 111 Zhong Shan Daheng Metal Products Co. Ltd.
- 112 Zhong Shan Shen Neng Metals Products Co. Ltd.
- 113 Zhucheng Jinming Metal Products Co. Ltd.
- 114 Zhucheng Runfang Paper Co. Ltd.

Appendix II – Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Discussion of the Issues

General Issues

- Comment 1: Sample Rate Calculation Methodology
- Comment 2: Surrogate Financial Ratios
- Comment 3: Changes to Surrogate Financial Ratios

Dezhou Hualude Issues

- Comment 4: Application of Partial Facts Available with Adverse Inferences to Tianjin Lingyu
- Comment 5: Incorporate FOP database which includes missing CONNUMs
- Comment 6: Application of Partial AFA for Tianjin Lingyu's FOP for Water Coating
- Comment 7: Materials Classified as Factory Overhead
- Comment 8: Labor Cost
- Comment 9: Adjust Dezhou Hualude's U.S. Price for International Freight and Marine Insurance Expenses
- Comment 10: Use Invoice Data as Dezhou Hualude's U.S. Date of Sale
- Comment 11: Dezhou Hualude's Minor Corrections

Stanley Issues

- Comment 12: Collating Wire Surrogate Value
- Comment 13: Small Glass Balls Surrogate Value
- Comment 14: Sealing Tape Surrogate Value
- Comment 15: Treatment of Stanley's Rubber Bands
- Comment 16: Black Liquor and Passivation Liquid Surrogate Values
- Comment 17: Transportation Distances for Stanley's Packing Materials
- Comment 18: Treatment of Irrecoverable VAT
- Comment 19: Correction of a Transposition Error for Zinc Phosphate

V. Recommendation

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